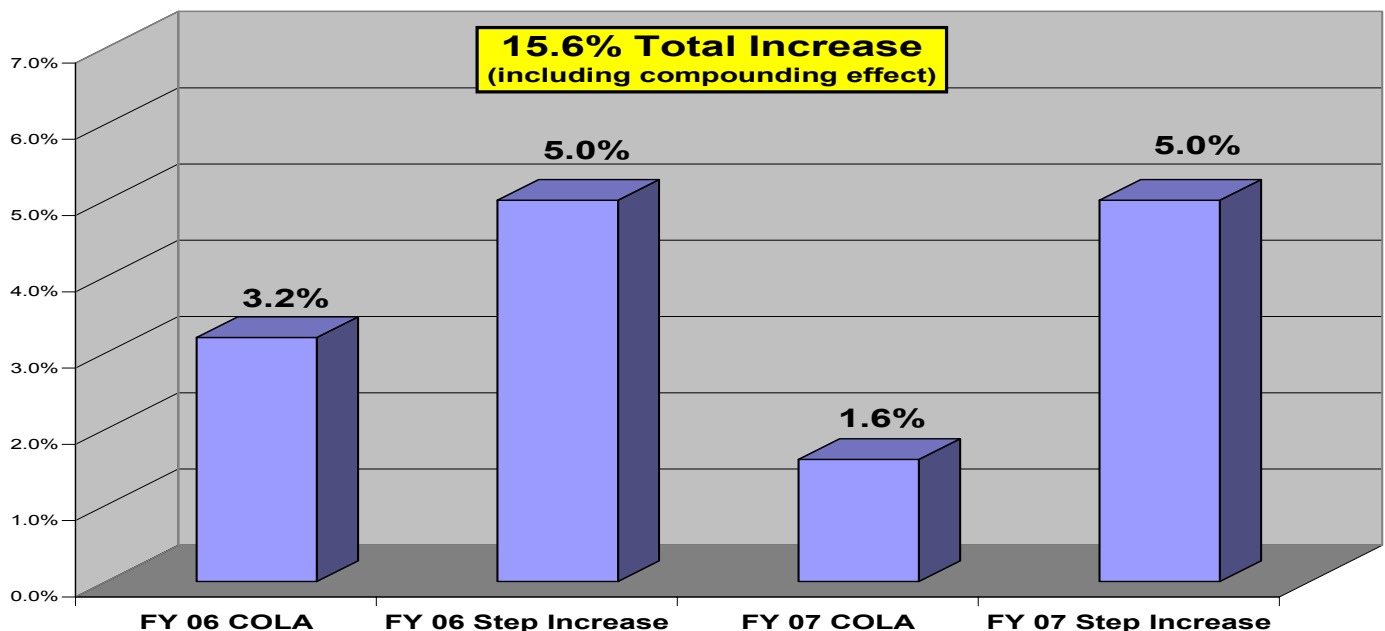


Budget Tidbits... just the facts

By Sen. Joe Zarelli, Ranking Republican
Senate Ways & Means

Budget Brief #7: State Employee Step Salary Increases (2/22/05)

- State employee unions have collectively bargained for a 3.2 percent and 1.6 percent raise over the next two years, citing claims of no salary increases for several years. This is misleading.
- Each year general government state employees who have not topped out on the salary grid for their job classification receive a 5 percent salary increase.
 - The raise is virtually automatic – Rather than being based on exceptional service, the statute grants increments for employees “*whose standards of performance are such as to permit them to retain job status in classified service.*” RCW 41.06.150.
 - Nearly 40 percent of general government employees receive the 5 percent raise each year.¹
- When combined with negotiated collective bargaining raises, employees who have not maxed out on the salary grid are in line for a 15.6 percent salary increase in the 2005-07 budget.



- The 5 percent step increases will cost taxpayers at least \$80 million in total funds this next budget cycle.²

Bottom Line

Yearly automatic 5 percent raises go to a sizable percentage of state employees, regardless of performance. Should the Legislature review, pare down, or eliminate this policy?

1. Source: Dept. of Personnel (18,953 of 50,317 non-exempt & non-WMS employees received step increases).

2. Source: Dept. of Personnel, plus estimated 38% of higher ed classified staff receiving increases. Excludes exempt & WMS employees. GFS roughly half total.